

*Amendment no. 2  
BC-200*

17 June 1957

**Subject: Contract Change Proposal #12 and Voluntary Price Adjustment**

**Reference:** (a) Contract BC-200, Amendment #4  
(b) Letter #12430 dated 17 January 1957, KDN to WCM  
(c) Conference 18 February 1957, Pasadena, California, GK, DK, JMcD, WCM, RHP, TLB  
(d) Conference 21 February 1957, Los Angeles, California, GK, WCM  
(e) Telecon 19 March 1957, TLB to HL  
(f) Letter #14336 dated 1 April 1957, GK to RHP  
(g) Letter #14336A dated 1 April 1957, GK to RHP  
(h) Letter #14653 dated 16 April 1957, GK to RHP  
(i) Letter #14656 dated 17 April 1957, GK to RHP  
(j) Letter #14657 dated 17 April 1957, GK to RHP  
(k) Telecon 18 April 1957, TLB to GK  
(l) Conference 25 April 1957, Pasadena, California, GK, WCM  
(m) Conference 30 April 1957, Dayton, Ohio, SWB, DK, JMcD, RHP, WAS, TLB  
(n) Letter #15188 dated 2 May 1957, GK to JSL  
(o) Telecon 2 May 1957, TLB to HL  
(p) Letter #15387 dated 2 May 1957, GK to JSL  
(q) Conference 4 June 1957, Pasadena, California, SWB, RMH, JMcD, HL, RHP, TLB  
(r) Contract Change Proposal #11 dated 4 June 1957, JSL to GK  
(s) Letter dated 16 May 1957, TLB to SWB

25X1

**Enclosure: Proposed Revised Contract Exhibits, Schedules I, II and III  
dated 14 June 1957**

**Dear Sir:**

In accordance with reference (c) and (e) discussions, it is proposed that certain of the items of the reference (a) contract have their price adjusted downward. A downward price adjustment is possible because we have been able to produce some of the equipment required under this contract at considerably less cost than was originally anticipated. Many of the problems of production, performance and design have been solved in a much more expeditious and favorable manner than had been expected. We, therefore, propose to adjust downward at this time the total contract price shown in Amendment #4 in the amount of \$250,000.00. For the purpose of reimbursement and definitizing this reduction it is proposed that Contract Item 1, Configuration B, on both Schedules I and II be reduced to a new estimated unit price of \$77,272.00, from the previous estimated unit price of \$100,000.00 as shown in Schedules I and II attached hereto.

It is understood that price redetermination to determine final total contract price will be negotiated at a later date.

In accordance with our discussions of reference (e) and (g) we have included with this proposal for Voluntary Price Adjustment, as Exhibits "A" through "J", those items which have been discussed in references (c) and (e) and authorized by your several written informal approvals for inclusion as additional contract items.

The changes in contract items or additional contract items for Schedule I (Customer A) are as follow:

Contract  
Item No.

- 1-a      Indicates price reduction in accordance with the voluntary price change submitted herewith. (OK)
- 4-a      As authorized by reference (e) telecon we have increased the additional production quantity of four hundred (400) units of Film Spool Model 114 in Amendment #2 of reference (a) contract by an additional eighty-eight (88) units. (OK)
- 6-a      Exhibit "A" Basic and Exhibit "A" Supplement present the proposed revised initial level of FAK items for Customer A for the support of Configuration B based on our field experience and operational requirements to date. (OK)
- 13      Exhibit "E" presents the level of Ground Support Equipment required to support three (3) units of Configuration C assigned to Customer A, three (3) units assigned to Customer B and those items required at Maintenance and Overhaul. The unit price of several of the items in Exhibit "E" have been increased to provide for special packaging and are so noted. Following are noted several other minor changes made in this level of equipment from that authorized in reference (g) and (i) letters: (OK)

Exhibit "E"  
Item No.




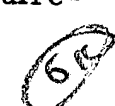
- 7      Has been added as a necessary item of support equipment for maintenance of Shutter Model 73-C.
- 11      Increase from three (3) to six (6) units for both Customer A and Customer B and from one (1) to two (2) units for Maintenance and Overhaul. It is necessary, for handling and maintenance purposes, to have one (1) Cassette Loading Stand for each of the two (2) Cassettes of each Configuration C.

Schedule I continued.

Contract  
Item No.

13 continued

Exhibit "E"  
Item No.

- 15      The Tektronix Oscilloscope has been expanded to include additional necessary accessories for proper testing of Configuration C. The unit price has been adjusted accordingly.
- 20      We have adjusted the composition of the Special Test Cable Set 73-C to reflect field requirements and equipment changes.
- 28      Field maintenance procedures no longer require Film Splicing Fixture Model 73-C.
- 30      Electrical Test Box 73-C is added to perform necessary pre-flight and post-flight electrical tests of Configuration C. The functions of this equipment will not be included in the existing Electrical Test Sets presently in the field because its modification to include these functions requires factory manufacturing facilities and cannot be performed by modification kit.
- 14      Special A/C Power Junction Box for Configuration C and associated components are an additional requirement based on flight test program experience and were authorized by reference (k) telecon. 
- 15      The Oblique Position Indicator for Configuration B has been authorized as a project requirement per reference (i) letter. 
- 16, 17      The items in Exhibit "G" were part of the initial level of Lot I FAK and Ground Support Equipment and as authorized in reference (n) letter will be supplied as additional reference (a) contract items rather than under Contract dated 21 June 1955 with The Perkin-Elmer Corporation. 
- 18, 19      These items were authorized as additional project equipment requirements by reference (i) letter. 

## Schedule I continued

Contract  
Item No.

- 20, 21 It has been determined in discussions with the manufacturer of the 300" Collimator that a special shipping and storage container is required for this unit to assure that the adjustment of the Collimator will not be changed by handling during shipment and at detachment locations. It is proposed that the Collimator will be rigidly attached to a torsion box and the torsion box will be mounted by three-point suspension to the base of the shipping container. It is, therefore, recommended that this item be added to the compliment of Ground Support Equipment. (66)
- 22 The Film Spooling Stand is proposed as a new item of Ground Support Equipment to perform the necessary respooling of B and C film during pre-flight and post-flight test operations. This item will be motorized with a tension regulator to assure proper film tension for film tracking. (66)
- 23 The Shield Assembly for the Shutter 73-C is necessary to protect the exposed shutter blade during shipping, storage and testing. (66)
- 24 A Shield Assembly is necessary for Shutter Model HS-732 in order to properly protect the shutter blades during shipping and storage. This will be of clear plastic material to enable the bench testing of the shutter while mounted to the Shield Assembly. (66)
- 25 It is hereby proposed that Cart Assembly Film Loading Block 73-B be added as additional Ground Support Equipment. This cart will be used in the lab area to facilitate the handling of loaded Film Spools Model 73-B. It will be light weight, sturdy, of tubular construction with light duty swivel casters and capable of being stacked for storage when not in use. (66)

The changes in contract items or additional contract items for Schedule II (Customer B) are as follow:

- 1-a Indicates price reduction in accordance with the voluntary price change submitted herewith. ✓
- 5-a Increase quantity of A/C Power Junction Box Model PJ-73 is necessary to meet requirements of A/C manufacturer and was authorized in reference (6) telecon. The new unit price is based on the weighted average price of the two quantities.
- 6-a It is proposed that one (1) additional item be added for use at the training base.

## Schedule II continued

Contract  
Item No.

- 8-a           Cassette Test Stand is no longer a field requirement and therefore this item is deleted.
- 7-a, 9-a,     These revised contract items reflect the increase in quantities of  
thru 19-a,   Ground Support Equipment, FAK spares as presented in reference (s)  
22-a, 23-a,   based on the requirements of the new operational concept per  
38-a, 39-a   reference (m) conference. They also reflect the modification of  
& 47-a       equipment as presented in reference (r).

- 48           Exhibit "E" presents the level of Ground Support Equipment required to support three (3) units of Configuration C assigned to Customer A, Three (3) units assigned to Customer B and those items required at Maintenance and Overhaul. The unit price of several of the items in Exhibit "E" have been increased to provide for special packaging and are so noted. Following are noted several other minor changes made in this level of equipment from that authorized in reference (g) and (i) letters:

Exhibit "E"  
Item No.

- 7            Has been added as a necessary item of support equipment for maintenance of Shutter Model 73-C.
- 11           Increase from three (3) to six (6) units for Both Customer A and Customer B and from one (1) to two (2) units for Maintenance and Overhaul. It is necessary, for handling and maintenance purposes, to have one (1) Cassette Loading Stand for each of the two (2) Cassettes of each Configuration C.
- 15           The Tektronix Oscilloscope has been expanded to include additional necessary accessories for proper testing of Configuration C. The unit price has been adjusted accordingly.
- 20           We have adjusted the composition of the Special Test Cable Set 73-C to reflect field requirements and equipment changes.
- 28           Field maintenance procedures no longer require Film Splicing Fixture Model 73-C.
- 30           Electrical Test Box 73-C is added to perform necessary pre-flight and post-flight electrical tests of Configuration C. The functions of this equipment will not be included in the existing Electrical Test Sets presently in the field because its modification to include these functions requires factory manufacturing facilities and cannot be performed by modification kit.

## Schedule II continued

Contract  
Item No.

- 49 Special A/C Power Junction Box for Configuration C and associated components are an additional requirement based on flight test program experience and were authorized by reference (k) telecon.
- 50 Flightline Installation Carts, as authorized in reference (c) conference, will be additional Ground Support Equipment to be used at Detachment locations for transporting photo equipment to and from the flightline. This unit is of light weight and rugged construction mounted on rubber casters.
- 51, 52, & 53 These contract items, as authorized in reference (i) letter, provide for Locating Jigs for Configuration A/C Fittings and additional sets of Configuration A and B A/C Fittings.
- 54 The Oblique Position Indicator for Configuration B has been authorized as a project requirement per reference (i) letter.
- 55 The additional FAK spares for Configuration A-1, as authorized in reference (b) letter have been expanded to meet the requirements of the new operational concept per reference (m) conference.
- 56 Spare Programmer A-2 has been authorized in reference (b) letter.
- 57 Based on the requirements of the new operational concept of reference (m) conference, this item is increased to a quantity of four (4) from the single unit authorized in reference (b) letter.
- 58 It is hereby proposed that Cart Assembly Film Loading Block 73-B be added as additional Ground Support Equipment. This cart will be used in the lab area to facilitate the handling of loaded Film Spools Model 73-B. It will be light weight, sturdy, of tubular construction with light duty swivel casters and capable of being stacked for storage when not in use.
- 59 This item had previously been omitted, by error, in the level of Ground Support Equipment and is, therefore, now included to meet the requirements of three (3) Detachment and Home Base operations concept of reference (m).
- 60 It has been determined, in discussions with the manufacturer of the 300" Collimator, that a special shipping and storage container is required for this unit to assure that the adjustment of the Collimator

Schedule II continued

Contract  
Item No.

- 60 cont. will not be changed by handling during shipment and at detachment locations. It is proposed that the Collimator will be rigidly attached to a torsion box and the torsion box will be mounted by three-point suspension to the base of the shipping container. It is, therefore, recommended that this item be added to the compliment of Ground Support Equipment.
- 61, 62 We were advised in reference (m) conference that three (3) units of Configuration C will be assigned to FOG. These contract items provide for the final assembly and system test and a shipping and storage container for Serial Number 6, Configuration C.
- 63 The Film Spooling Stand is proposed as a new item of Ground Support Equipment to perform the necessary respooling of B and C film during pre-flight and post-flight test operations. This item will be motorized with a tension regulator to assure proper film tension for film tracking.
- 64 The Shield Assembly for the Shutter 73-C is necessary to protect the exposed shutter blade during shipping, storage and testing.
- 65 A Shield Assembly is necessary for Shutter Model HS-732 in order to properly protect the shutter blade during shipping and storage. This will be of clear plastic material to enable the bench testing of the shutter while mounted to the Shield Assembly.

Schedule III provides for those items of equipment required to support the Maintenance and Overhaul operation and for special services which are split for funding purposes between Customer A and Customer B on a pro-rata basis. The changes in contract item or additional contract items for Schedule III are as follow:

Contract  
Item No.

- 1-a The total estimated amount required to support the overhaul spares program has been increased on the basis that the present amount does not cover the amount of work and equipment provided to date and a greater quantity of configurations and component parts will be rotated through the Maintenance and Overhaul program during the next fiscal year than the previous year. This new total amount covers a two (2) year period rather than the one (1) year period previously noted.

## Schedule III continued

Contract  
Item No.

1-a cont. Several priced lists of spares have been submitted by the Contractor to date. These lists will be revised and new lists established as required and line items will be invoiced as delivered to Maintenance and Overhaul Stores.

2 Exhibit "E" presents the level of Configuration C Ground Support Equipment required to support the Maintenance and Overhaul program. Following are noted the several minor changes made in this level of equipment from that authorized in reference (g) and (i) letters: OIC

Exhibit "E"  
Item No.

- |    |   |
|----|---|
| 7  | Additional item necessary to support maintenance of Shutter Model 73-C. <span style="float: right;">OIC</span>  |
| 11 | Increase from one (1) to two (2) units of Cassette Loading Stand, required for handling and maintenance purposes for each of the two (2) cassettes of a Configuration C. <span style="float: right;">OIC</span> |
| 15 | The unit price of the Tektronix Oscilloscope has been increased due to the addition of necessary accessories for proper testing of Configuration C. <span style="float: right;">OIC</span>                      |
| 20 | We have adjusted the composition of the Special Test Cable Set 73-C to reflect recent equipment changes. <span style="float: right;">OIC</span>   |
| 27 | Maintenance and Overhaul procedures no longer require a Film Splicing Fixture 73-C. <span style="float: right;">OIC</span>  |
| 30 | Electrical Test Box 73-C is added to perform necessary Maintenance and Overhaul electrical tests of Configuration C. <span style="float: right;">OIC</span>   |

3 thru 11 & 16 Since the deployment of all Customer A detachments there are none of these items of Ground Support Equipment available for use by the Maintenance and Overhaul operation. OIC

12, 13 Pursuant to directions of the Contracting Officer at reference (d) conference the flight test program activities for the noted periods by factory type personnel will be incorporated into reference (a) contract. OIC



Schedule III continued

Contract  
Item No.

- 14 Pursuant to directions of the Contracting Officer at reference (1) conference all items of labor and material required to effect the move from the Ranch to EAFB have been collected as a separate cost item of reference (a) contract. (112)
- 15 The Cart Assembly, Film Loading Block 73-B will be used by Maintenance and Overhaul to facilitate the handling of loaded Film Spools Model 73-B during testing. This unit will be of light weight, sturdy, tubular construction with light duty swivel casters. (114)

It should be noted and understood that unit prices of spares and other equipment indicated in this proposal do not necessarily establish those unit prices as fixed for future procurement. Prices of all equipments are contingent upon quantity and required delivery and, therefore, will be negotiated at the time of each additional procurement.

This proposal is based on all of the information made available to us in the noted references and all items, quantities and prices have been established to meet the needs of the program.

Schedule I, attached hereto, reflects the Voluntary Price Adjustment and presents the proposed revised contract items required to support Customer A's program for a new estimated total amount of \$804, 773.52 and a net increase of \$40, 529.06. (110)

Schedule II, attached hereto, reflects the Voluntary Price Adjustment and presents the proposed revised contract items required to support Customer B's program for a new estimated total amount of \$1, 583, 301.24 and a net increase of \$510, 008.75. you in 50

Schedule III reflects the increased scope of Maintenance and Overhaul spares and the additional contract items and services necessary for proper support of this project. The new estimated total of \$399, 683.00 is a net increase of \$324, 683.00 from the previous estimated amount. For funding purposes it is anticipated that Schedule III will be split on a fifty-fifty basis between Customer A and Customer B. Therefore, the proposed new estimated total contract amount for Customer A (Schedule I plus 50% of Schedule III) is \$1, 004, 615.02 and the proposed new estimated total contract amount for Customer B (Schedule II plus 50% of Schedule III) is \$1, 783, 142.74. The proposed new target price is \$2, 787, 757.76 and ceiling price is \$3, 043, 515.35. This proposed amendment provides for an increase of \$875, 220.81 in the target price and \$955, 517.66 in the ceiling price. Further, it is proposed that all other terms and conditions of reference (a) contract remain as originally written. (115)

We trust that this meets with your approval and request that the informal approvals issued to date, the Voluntary Price Reduction and the additional equipment and services set forth in this Contract Change Proposal #12 be incorporated into the reference (a) contract as an amendment.

Very truly yours,

HYCON MFG. COMPANY



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Engineering Products Division

TLB/pe  
enclosure

cc: JMcD